

ARMY ANNOUNCES FORT CAMPBELL PARTNER FOR RESIDENTIAL COMMUNITIES INITIATIVE August 8, 2002



The Army announced the selection of the private partner for Fort Campbell, Kentucky, under the Army's Residential Communities Initiative (RCI) today.

Lend Lease Actus (Southeast) is being awarded a contract for the Fort Campbell family housing privatization project. In a collaborative effort, Lend Lease Actus and the Army will work to jointly forge a Community Development and Management Plan (CDMP), which will be the blueprint for the Army's residential community at Fort Campbell. The planning phase will take six months or less. Upon acceptance of the CDMP by the Army, OMB, DoD and Congress, project implementation will begin. It is estimated that construction will begin in the summer of 2003. Providing soldiers and their families with safe, attractive, affordable housing and modern communities is a major priority for the Department of Defense and the Army.

The Assistant Secretary of the Army for Installations and Environment has overall responsibility for the RCI program. Fort Campbell's RCI vision is to provide world-class residential communities for soldiers and their families, not just build houses.

The first phase of the privatization project will result in the construction of approximately 2,000 new or replacement housing units, renovation of 2019 housing units and construction of seven new community centers and a host of other ancillary facilities and amenities to meet the family housing needs at Fort Campbell. Lend Lease Actus (Southeast) will develop, redevelop, construct, own, manage and maintain the housing units; maintain the grounds of unoccupied and public areas; construct and maintain the roads and infrastructure in associated areas; and reinvest profits for future renovations and replacements.

The RCI effort will improve, in a short period of time, the quality of life for nearly 27,000 soldiers and their family members. The overall family housing appearance and function within Fort Campbell will be improved by weaving the natural and built environments together as a planned community, while at the same time protecting cultural resources and meeting environmental responsibilities.

The Lend Lease Actus/Army Partnership will commit an estimated \$325 million for renovation and construction of the family housing communities at Fort Campbell. The project is valued at approximately \$1.7 billion over 50 years.

Fort Campbell is the sixth RCI contract to be awarded under the Request for Qualification (RFQ) process. The RFQ process demonstrates and implements the Army's philosophy of partnering -- not just outsourcing -- with the private sector. Under RCI, soldiers who reside on post will receive the Basic Allowance for Housing (BAH) and pay rent to the developer. BAH is based on family status, rank and geographic location. These rental revenues will cover all development costs, operations and maintenance costs, and debt service.

The Army has inadequate housing conditions at most of August 6, 2002its posts and a \$6 billion revitalization requirement that would take many years to alleviate under existing

procedures. Together with traditionally funded military construction and increased housing allowances, privatizing family housing under RCI is an essential element in solving the Army's acute family housing challenges.

The planning for the Fort Campbell RCI housing will follow traditional community land planning concepts. RCI housing will be designed to meet the needs and lifestyles of today's Army families. The new housing will consist of a combination of four-plexes, duplexes and single family detached homes complete with garages. They will have a multiple distinct traditional architectural themes, modern interior layouts — with plenty of storage and modern energy saving appliances. These amenities combined with the innovative community designs will dramatically increase the quality of life for the nations soldiers and their families in the Army's pursuit of installation excellence.

For more information:

Internet availability for the RCI program: www.rci.army.mil